(3) AVOIDING DISINCENTIVES TO PRIVATE AGRICULTURAL PRODUCTION AND MARKETING.—In participating in such multilateral agricultural assistance the United States shall seek to strike a balance wherein agricultural commodities and products are supplied in such quantities as will be effective in overcoming severe shortages and dampening inflation but without impeding the development of incentives for private agricultural production and marketing in the recipient country.

(b) AGRICULTURAL ASSISTANCE FOR POLAND.—Pursuant to section 101(b)(8), the United States Government—

(1) shall make available to Poland, in coordination with the European Community, United States agricultural assistance—

(A) to alleviate immediate food shortages (such assistance to be specifically targeted toward elements of the Polish population most vulnerable to hunger and malnutrition in particular the infirm the elderly and children), and

(B) to facilitate the transition from state-directed controls to a free market economy while avoiding disincentives to domestic agricultural production and reform; and

(2) in order to ensure the necessary quantity and diversity of such agricultural assistance, shall take all appropriate steps to encourage parallel efforts by the European Community and other agricultural surplus countries.

(c) FY 1990 MINIMUM LEVEL OF AGRICULTURAL ASSISTANCE FOR POLAND.—In carrying out subsection (b) of this section, the level of assistance for Poland for fiscal year 1990 under section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 and following), and the Food for Progress Act of 1985 (7 U.S.C. 1736o) should not be less than $125,000,000. Such assistance—

(1) to the maximum extent practicable, shall be provided through nongovernmental organizations; and

(2) shall emphasize feed grains.

(d) CONSISTENCY WITH BUDGET REQUIREMENTS.—Subsection (a

should not be construed to authorize or require any budgetary obligations or outlays that are inconsistent with House Concurrent Resolution 106 of the 101st Congress (setting forth the congressional budget for the United States Government for fiscal year 1990)

22 USC 5414. SEC. 104. **DEBT-FOR-EQUITY SWAPS AND OTHER SPECIAL TECHNIQUES**

President of U.S. (a) REDUCTION OF DEBT BURDEN.—The President shall take all appropriate actions to explore and encourage innovative approaches to the reduction of the government-to-government and commercial debt burden of East European countries which have taken substantive steps toward political democracy and economic pluralism.

(2) AUTHORITY FOR DISCOUNTED SALES OF DEBT.—Notwithstanding any other provision of law, the President may undertake the discounted sale, to private purchasers, of United States Government debt obligations of an East European country which has taken substantive steps toward political democracy and economic pluralism, subject to subsection (c).

(3) CONDITION.—An obligation may be sold under subsection (a) only if the sale will facilitate so-called debt-for-equity or debt-for-development swaps wherein such newly privatized debt is exchanged by the new holder of the obligation for—

*(1) local currencies, policy commitments, or other assets needed for development or other economic activities, or